

**CITIES MATTER:
LESSONS LEARNED IN THE
AGE OF DECENTRALIZATION IN ASIA
APRIL 7-13, BOGOR, INDONESIA**

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By

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ABSTRACT

Under contract with USAID's RUDO/Jakarta, ICMA conducted the "Cities Matter: Analyzing Lessons Learned in the Age of Decentralization" course for Asian countries. Thirty representatives from seven different countries in Asia attended the course, which was held at Novotel-Coralia, Bogor, Indonesia, April 7–13, 2002. This report provides a summary of the course as well as conclusions and recommendations.

CITIES MATTER: LESSONS LEARNED IN THE AGE OF DECENTRALIZATION IN ASIA APRIL 7-13, BOGOR, INDONESIA

Under contract with USAID's RUDO/Jakarta, ICMA conducted the "Cities Matter: Analyzing Lessons Learned in the Age of Decentralization" course for Asian countries.¹ Thirty representatives from seven different countries in Asia attended the course (see Appendix A for the participant list). The course was held at Novotel-Coralia, Bogor, Indonesia, April 7–13, 2002.

The course objectives were for participants to:

- Define where on the continuum between centralized and decentralized authority their country lies
- Determine what national and local factors are critical to success
- Identify the actions (programs, policies, interventions) that their country must address to enable decentralization
- Draft a framework for an effective local governance and development strategy for their country.

The evaluations and a review of the strategies submitted show that the course met expectations. This report provides a summary of the course results and is structured as follows:

1. Course Summary
2. Critical Factors for Success
3. Application of CFS—Country Strategies
4. Conclusions and Recommendations

1 SUMMARY AND ACCOMPLISHMENTS

During the course, the trainers and participants used three constructs—fiscal, political, and administrative—to analyze the impact that the process of decentralization has on urban programs and services. The trainers gave each of these constructs an operational definition to determine if a country remains highly centralized or has moved to a more decentralized governing structure.

ICMA designed the course to facilitate an interactive learning process, one in which participants work in plenary and small group sessions to analyze the information presented. This method allowed participants to immediately develop a framework from which to analyze conditions in their respective countries and apply the lessons learned. (See Appendix B for the final agenda.)

¹ Cities Matter: Analyzing Lessons Learned in the Age of Decentralization was first offered in February 2001 in Annapolis, Maryland.

The presentations, made by both regional and U.S. experts, covered a range of topics. During Day 1, the trainers laid out the analytical framework from which analysis was to occur. As in any analysis, the problem to be addressed must be presented; the problem statement was provided by Dr. Michael Douglas, Professor of Urban and Regional Development, University of Hawaii. Dr. Douglas offered a comprehensive overview of the changes that have taken place in Asia regarding conditions in the urban areas. His presentation primarily focused on Southeast Asia. Participants from South Asia were able to draw comparisons with their own countries, albeit not as directly as participants from Thailand, Vietnam, the Philippines, and Indonesia.

Using Dr. Douglas's materials as a backdrop, participants then identified where on a continuum of decentralization their own country lay, and what impact they thought this would have on the delivery of local government services and programs. Appendix C provides a summary of the self-assessment of each country. Several participants noted that they had the legal framework in place, but in practice the intent of the laws was not being carried out. For example, most of the participants felt their countries were politically decentralized, but the political will to move forward was not present. As a result, other necessary changes (i.e., fiscal and administrative decentralization) were not occurring. Over the course of the week, the trainers and participants discussed examples of instituting political will.

The three middle days of the course focused on specific programs and services delivered by local governments. Included in this list were economic development, with a heavy emphasis on community-based economic development and the partnership between national and local governments and community institutions; water services, especially as they relate to citizen willingness and ability to pay; and human services, with two presentations outlining approaches to more effective local government practices in two sectors—public health and disaster response. The participants made site visits on Day 3, allowing them to link the case materials and practices presented with actual operations in Bogor as they related to economic development and water. The third site visit, to the Association of Cities in Indonesia, allowed participants to see how support institutions could assist in the development of effective local governing units.

During the final sessions of the course—identifying critical factors and developing country strategic frameworks—participants analyzed the information provided and applied lessons learned. The next two sections of the report provide details on the results of the final sessions.

2 CRITICAL FACTORS FOR SUCCESS

Identifying *Critical Factors for Success (CFS)* is an element added to the Cities Matter series in the last six months. Identifying the CFS serves two purposes. First, it is a constructive method by which participants can review information presented during the week-long course. Trainers ask each participant to identify three critical factors they feel are essential for decentralization to be an effective governing structure for delivery of services and programs at the local level (see Appendix D for the methodological approach). Second, the results of the process provide milestones by which to evaluate the progress a country is making toward a more decentralized system of government.

There are two sets of CFS: those related to the conditions that will enhance the actions and the actions themselves (see Appendix E). As noted in Section 1, many participants recognized that they had the appropriate legislative framework, as illuminated by the decentralization assessment, but that the intent of the laws was not being carried out. The three critical condition factors—political will, political stability and accountability, and democratic principles—must all be in place if local governments are to be a viable part of the overall governing of a nation.

Critical actions were factors that the participants identified as important steps to take in order to achieve the conditions. The country strategies reflect the link among the team visions, CFS, actions, and expected results, as discussed below.

3 APPLICATION OF CFS—COUNTRY STRATEGIES

Participants completed two strategy statements during the course: individual and team (country). This section reviews the country strategies. On Day 1, after the opening session by Chris Milligan, Director of RUDO/Jakarta, comments by Dr. Douglas, and presentation of the course framework by Deborah Kimble, participants completed two tasks. Given their range of expertise and functional areas of responsibilities, the participants first wrote a personal vision statement, one that would guide the actions they would take over the next two to five years to advance decentralization (see Appendix G). After completing this task, participants worked with their country peers to develop a country vision, one that integrated the individual statements. In this way, participants could develop a vision statement that would cut across sectors and encourage sharing of resources.

At the end of the week, participants were reassigned to their respective country teams (Indonesia had two teams given the number of participants) and asked to identify the critical factors of success, the actions, and the expected results as they related to the country vision statement. The country strategies exhibited the following common elements:

1. Empowering citizens by enhancing their awareness of local government: Build Trust
2. Develop mechanisms by which useful information can be disseminated: Increase Awareness
3. Building the capacity of all local government human resources: More Efficient
4. Some attention to financial reform: Greater Autonomy

Complete country strategies are provided in Appendix H.

4 CONCLUSIONS AND RECOMMENDATIONS

The recommendations and conclusions are based primarily on the evaluations completed by each participant. As stated in the introduction, the evaluations (see Appendix F) suggest that the objectives of the course were met.

4.1 Conclusions

ICMA uses a two-tiered evaluation technique that features both numeric ratings and written comments. Each participant rates the course from 1 to 10 (with 10 being the highest rating). For this course, we received 29 evaluations with a median rating of 8 and an average rating of 7.1. Comments under this section suggest that those who rated the course highly valued the interaction and analysis, while those who rated it lower presumably felt that the course needed to focus on fewer topics and increase the hands-on lessons learned.

The numeric ratings are consistent with the written comments, tier two of the evaluation. This part of the evaluation posed four questions to the participants.

What is the most important topic and why?

Three items emerged as the most important: the ability to share with regional peers, the framework of analysis, and the critical factors/strategic plan.

Which field visit did you attend? How did the field visit contribute to your experience during the course?

In general the field visit was considered a valuable experience. Of the three topical areas (Bogor water company, textile factory/economic development, and association of municipalities) participants who attended the textile visit seemed to have learned the most, in particular linking the role of citizen participation with and through local governments and the success of the firm.

If it were possible to add another topic to the program, what topic do you recommend we add? And why?

Financial management/fiscal decentralization was one topic that received multiple mentions. Of the 26 items listed, some variation of financial management/fiscal decentralization was noted 6 times. The next most important addition, as defined by the evaluations, related to citizen involvement and communications. These two items are consistent with the common elements of the team strategic plans.

Would you recommend this course to your colleagues? Why or why not?

Out of 24 comments, 83 percent were positive, suggesting that participants deemed the course a useful experience.

4.2 Recommendations

Based on our experience in this course and other comparable courses (“Cities Matter: Effective Management Practices of Environmental Services” and “Cities Matter: Analyzing Lessons Learned in the Age of Decentralization”), ICMA makes the following recommendations:

- We strongly suggest that the critical factors of success be further elaborated upon and that USAID use them as milestones and performance measures.
- If sufficient funds remain in the task order, we suggest using them to conduct follow-up review in six months in Indonesia, the Philippines, Bangladesh, and Thailand. (Other countries did not have the critical mass of participants needed to move concepts and recommendations forward; however, electronic follow-up with participants from these countries may be useful). This will require a no-cost extension, extending the term of the task order to December 30, 2002. ICMA will provide a summary of the expenses to date to determine what funds remain.
- We highly recommend that USAID consider offering a separate course for South Asian and Southeast Asian countries. As was found in the “Cities Matter: Effective Management Practices of Environmental Services” course (Yogyakarta, Indonesia, August 2000), the difference in culture and learning styles, and hence the expectations, of participants from the two parts of Asia require different teaching approaches. The South Asians expect more lecture and clearly articulated programs that lead to success, while the Southeast Asians seem more comfortable with the hands-on analysis and interactive adult learning modes. Meeting the middle ground takes away from the amount of time, already limited, to accommodate the differences in experience and understanding of the diverse participant groups.

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APPENDIX A
Participants

Appendix A -- Cities Matter - Jakarta Participants and ICMA staff				
Name	Title/Position	Organization	Country	
1 Poonsiri Luekuna	Department of Community Development, Faculty of Social Science Administration Mayor	Kenan Institute	Thailand	
2 Dr. Woothisarn Tanchai		Thammasart University	Thailand	
3 Mr. Surajitr Yontrakul		Mahasarakarm Municipality	Thailand	
4 Philip Tjakranata	Senior Economic Advisor Senior Assistant Secretary Director	USAID	Indonesia	
5 Ivan Nasution		USAID	Indonesia	
6 Quan X. Dinh		USAID	Indonesia	
7 Mr. Sunil Fernando		Ministry of Local Government	Sri Lanka	
8 Dr H M Mishra		Bhopal Academy of Administration	India	
9 Caryle Cammisa		USAID	Bangladesh	
10 Rezaul Haque		USAID	Bangladesh	
11 Dr. Mohammad Habibur Rahr		ARD-Bangladesh	Bangladesh	
12 Begum Rawshan Ara		Ministry of Local Government, Rural Dev	Bangladesh	
13 Mahbuba Akhter		Local Initiative for Peoples Progress	Bangladesh	
14 Azmat Ullah Khan	Deputy Secretary, Office of Decentralized Local Government Director, Office of Decentralized Local Government Senior Sustainable Energy Advisor Mayor Former Mayor	Tongi Pourashava	Bangladesh	
15 Joy Abelardo		Louis Berger	Philippines	
16 Jessica McKenna		USAID	Indonesia	
17 Chris Milligan		USAID	Indonesia	
18 Dana Kenney		USAID	Indonesia	
19 Ramon Guico Jr.		Naga City	Philippines	
20 Raymundo Roquero		Naga City	Philippines	
21 Gabriel Bordado			Philippines	
22 Du Phouc Tan		Institute for Economic Research of HCMC	Vietnam	
23 Nguyen Hong Tien		Ministry of Construction	Vietnam	
24 Mr. Nazamuddin	Vice-Head of Department of Research and Cooperation Deputy Director, National Institute for Urban and Regional Planning Economics Lecturer Economics Faculty Technical Project Officer	Syad Kuala University	Indonesia	
25 David Paul Elia Saerang,				
26 PhD		Samratulangi University	Indonesia	
27 Jet Riparip		USAID	Indonesia	
28 Sri Utari Setyawati		Coalition for Healthy Indonesia	Indonesia	
29 Lanita S. Soebagyio		Coalition for Healthy Jakarta	Indonesia	
30 B.R.Balachandran	Executive Director	Environmental Planning Collaborative	India	
31 Manvita Baradi		City Managers Association of Gujarat	India	
32 Taufan		PDAM-Jember	Indonesia	
33 Jose "Joe" Rodriguez		Management Sciences for Health- Project Management Technical Advisors Team	Philippines	
34 Zolkify Che Din		Penang Municipality	Malaysia	
35 Deborah Kimble		ICMA	USA	
36 Ann Bueche		ICMA	USA	
37 Jody Schubert		ICMA	USA	
38 Michael Douglass		ICMA	USA	
39 Amanda Lonsdale		ICMA	Indonesia	
40 Ruri Mijilenggonowati	Secretary/Accountant	ICMA	Indonesia	

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APPENDIX B

Agenda

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Sunday April 7, 2002

- 4:00 p.m. – 6:00 p.m. Pre - Course Terminology And Concepts**
Session designed to offer participants an opportunity to ask detailed questions about terms and concepts that will be used during the week.
- 6:00 p.m. – 7:30 p.m. Opening Reception**

Monday, April 8, 2002

- 8:30 a.m. – 9:00a.m. Opening Remarks**
Christopher Milligan, Director. Regional Urban Development Office, USAID/Jakarta
- 9:00 a.m. – 9:30 a.m. Overview Of Course**
Deborah Kimble, Senior Municipal and Governance Advisor, International City/County Management Association
- 9:30 a.m. – 10: 15 a.m. Participant Introduction And Expectations**
Ann Bueche, Senior Training and Communication Advisor, ICMA
- 10:15 a.m. – 10:45 a.m. Break**
- 10:45 a.m. – 12:00 Retrospective: The Age Of Decentralization**
Michael Douglass, Ph.D., Professor of Urban and Regional Planning, University of Hawaii

In this session, Professor Douglas will draw on his years of experience in Asia to sketch a road map as to where we have been and, more importantly what we should consider for the future.

Participants will be given the opportunity to pursue further inquiry during a question and answer session.
- Noon – 1:00 p.m. Lunch**

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1:00 p.m. – 2:30 p.m. Analyzing Decentralization: Impact And Progress

Session will open with a presentation outlining a framework of analysis that allows the status of political, administrative and fiscal decentralization to be defined. The session continues with a review of the Basic Principles and Practices of Effective Local Government and offers illustrative measures to consider during the week.

Participants then work in teams to determine to determine where along a continuum from highly centralized to decentralized, their country lies, (Pre-course homework materials will be used)

Deborah Kimble, ICMA

2:30 p.m. – 3:00 p.m. Break

3:00 p.m. – 4:15 p.m. Establishing The Context In Participant's Countries

In a plenary session, participants will chart the results of their analysis, this will serve as the as the framework for the country strategy to be completed by Friday.

Facilitators: Deborah Kimble, ICMA and Michael Douglass, University of Hawaii

4:14 p.m. – 5:00 p.m. Building Team and Individual Strategic Frameworks

Ann Bueche, ICMA

Looking to the future, participants will be asked to write an individual and team vision statement that articulates what conditions will be in 1-3 years as a result of action they would take given their respective work responsibilities. This statement will serve as a guide for the participants for the remainder of the course.

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Tuesday, April 9, 2002

8:30 a.m. – 8:45 a.m. Review Of The Day

Economic Development: an all encompassing function of local government

8:45 a.m. – 9:45 a.m. Urban Realities And Practices

In this session, Zulkifly Che Din will outline the critical practices local government must engage in as it relates to economic development as drawn from his experience in Malaysia. Specific attention will be given to urban systems--particularly economic, social, and political systems; the interrelatedness of the systems and practices that result in effective integration of systems in support of economic development.

Zulkifly Che Din, Director of Urban Services (Retired),
Penang Municipal Council, Malaysia
Moderator: Michael Douglass, UH

9:45a.m. – 10:00 a.m. Break

10:00 a.m. – 12:00 p.m. Case Presentation: Economic Development

Moderator: Deborah Kimble

12:30 p.m. – 1:45 p.m. Lunch

1:45 p.m. – 4:45 p.m. In-Class Analysis Of Economic Development Potential For Participant's Respective Country

Facilitators will work with participants to complete an economic development analysis that defines potential given status of decentralization of their respective countries and /or cities.

Facilitators: Deborah Kimble, Zulkifly Che Din

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Wednesday, April 10, 2002

8:00 a.m. – 8:15 a.m. Overview Of The Day

8:15 a.m. - 9: 15 a.m. Case Presentation – Urban Services

Pak Taufan, PDAM Jember

Bennett Parton, Chief of Party, Local Government
Water Services Project, Indonesia

Moderator: Zulkifly Che Din

9:15 a.m. – 10:00a.m. Analysis And Preparation For Site Visit

Participants will be assigned to one of four groups and be asked to define the role one of the following played in the success of the case presentation on urban services and develop a list of questions that they would like to have considered from the site visit presenters.

Four cornerstones –

- citizen involvement;
- organization structure and responsibilities;
- local leadership and decision-making and,
- revenue administration and finance management

Moderator: Amanda Lonsdale

10:00 a.m. – 3:30 p.m. Site visit in Bogor Box lunch on bus

1. PDAM—Water Company
2. Municipal Association (APEKSI)
3. PT UniTex-Private Textile Company

3:30 p.m. – 5:00 p.m. Comparison Of Site Visit And Case Presentation: What Works

Participants will be asked to draw comparisons between the case presentation and the site visit; identify the differences and similarity and consider the impact of both, particularly as it relates to their respective countries.

Moderators: Zulkifly Che Din

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Thursday, April 11, 2002

8:30 a.m. – 8:45 a.m. Overview Of The Day

8:45 a.m. – 9:30 a.m. Defining Human [Social Welfare] Services

The US definition of welfare services is limited in comparison to the definition in many developing and transitional countries. However, there are certain economic and political characteristics of welfare services that are universal. This session will illuminate the characteristics and offer them as a “tool of analysis” for the remaining presentations of the day.

Deborah Kimble, ICMA

9:30 a.m. – 12:30 p.m. Case Presentation: Health Services and Disaster Mitigation-Housing

Presenter: Dr. Jose Rodriguez, Chief of Party, MSH
- Philippines

Presenter(s): Manvita Baradi, City Managers
Association of Gujarat
B.R. Balachandran, Executive Director,
Environmental Planning Collaborative -
India

12:30 p.m. -- 1:30 p.m. Lunch

1:30 p.m. – 4:30 p.m. Developing A Model Best Practice

Participants will work in groups, each group representing one of the three fields of social welfare. They will be asked to develop a model for the delivery of services and consider external factors that should be addressed to increase the usefulness of the model in their respective countries.

Moderator: Ann Bueche, ICMA

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Friday, April 12, 2002

8:00 a.m. – 8:15 a.m. Overview Of The Day

8:15 a.m. – 9:15 a.m. Impacts—Critical Factors of Success

In preparation for the completing the strategic analysis and development of the participants work plans, the participants will work in a plenary session, identifying the critical success factors related to governing framework and practices of local government within a decentralized structure of government. The results of this session should be used by the participants as they complete the strategic analysis and development of their individual work plans.

Moderator: Deborah Kimble, Michael Douglas

9:15 a.m. – 10:30 a.m. Finalizing Country Strategy Framework

Participants will work in teams to complete the framework for the strategy that will allow them to achieve the vision they articulated on day one.

10:30 a.m. –11:30 a.m. Presentation of Frameworks

11:30 a.m. – Noon Evaluation

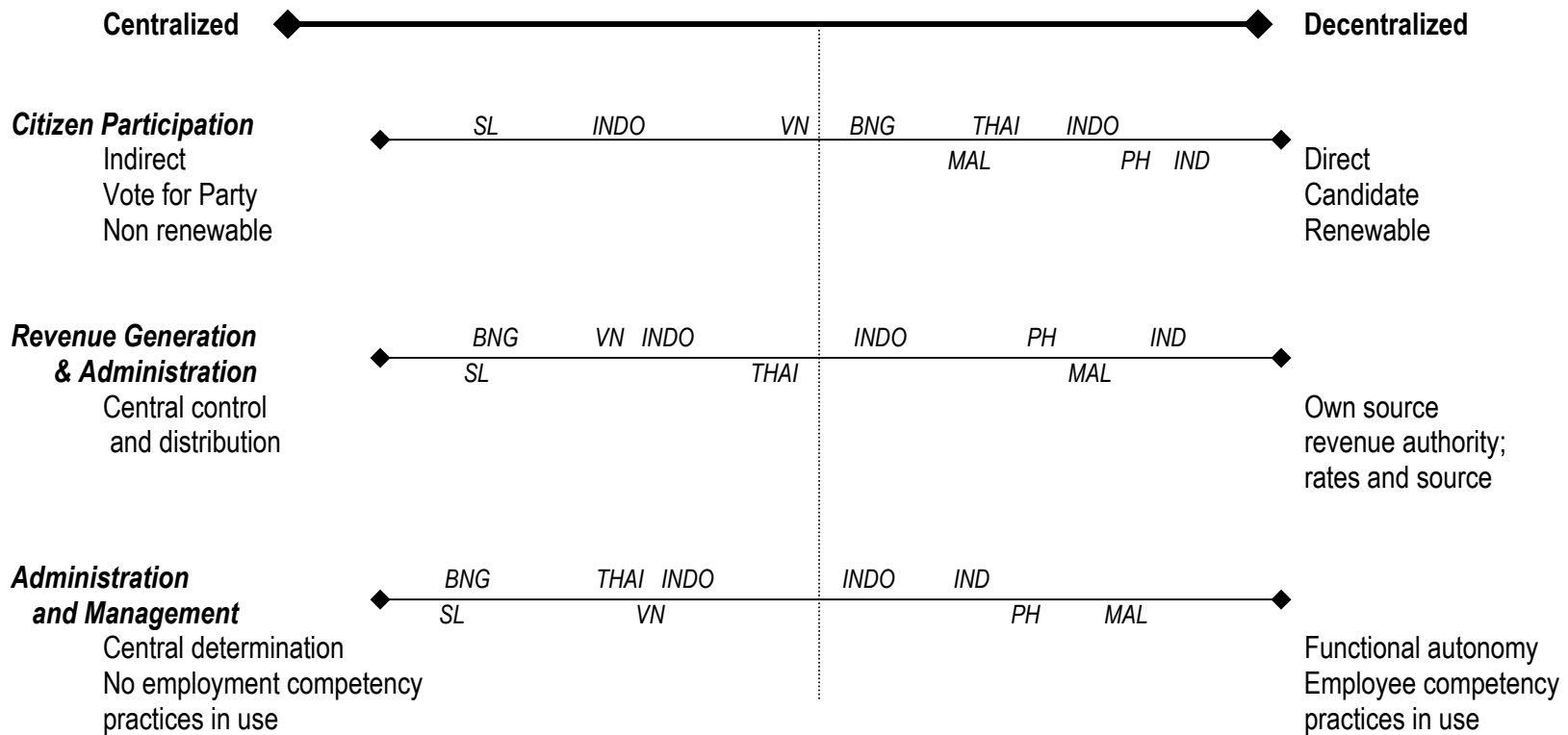
4:15 p.m. Closing Reception

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APPENDIX C
Charting Decentralization

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Bangladesh India Indonesia Malaysia Philippines Sri Lanka Thailand Vietnam



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APPENDIX D
Effective Local Government Lessons Learned

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Objective:

To identify the lessons learned regarding effective local government in a decentralized structure of government.

Consider the course context:

Six Principles of Effective Local Government

- ✓ Strong municipal leadership and management
- ✓ Transparent financial management and budgeting systems
- ✓ Efficient municipal and environmental service delivery
- ✓ Long range capital planning and investment
- ✓ Democratic citizen participation in local government
- ✓ Sustainable community and economic development

Practices of Local Government

Revenue generation and financial management
Management and organization capacity
Public involvement and leadership
Customer Service

In small groups, complete the following task.

1. Based on the presentations, discussions and written materials (found in section 9 and distributed over the week), list the lessons learned related to the practices you felt most important to the delivery of services at the local level. (Use worksheets as a guide)
2. After listing the lessons learned, review your findings, see what, if any, common factors exist among the lessons learned that are critical to success. List 3-5 of critical factors of success.
3. Based on your critical factors of success, identify macro conditions that will influence (positively or negatively) the effectiveness of local government.

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APPENDIX E

Critical Factors of Success

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Critical Factors of Success

FACTOR		RANKING
CRITICAL CONDITIONS	capacity, accountability, transparency and consistency	Score 49
	strong political will of central and local government	Score 36
	political stability and accountability	Score 28
CRITICAL ACTIONS	customer satisfaction/feedback	Score 10
	stakeholder involvement	Score 10
	balanced policy for local government revenue generation	Score 9
	introduce incentives to professionals to work with local government	Score 8
	outsourcing and contracting out key functions of local government and monitoring	Score 7
	Innovation	Score 6
	people-oriented	Score 5
	access to information and active citizen participation in decision-making	Score 5
	appropriate roles for local government, private sector, and community for service delivery	Score 4
	participatory management	Score 4
	balanced representation/voice for all (levels of society)	Score 3
	enabling framework and enforcement	Score 3
	better understanding between local government and citizens	Score 3
	involving women	Score 2
	need for (and use of) good information from the specific customer to the global marketplace/availability of information	Score 2
	local government support for investment	Score 2
	create an enabling environment for economic development	Score 1
	choice and voice to the people	Score 1
Other Factors to Consider (Important , not ranked)		
<ul style="list-style-type: none"> • policy advocacy through coalitions (associations, networks) • focus on strengths of community • clear concept of service • organizational capacity • simplify tax collection system • identify non-tax revenue • information technology • conducive political environment • appropriate policy, program and support from higher echelon • finance and infrastructure support • responsive, courteous quality service 		

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APPENDIX F
Evaluation Summaries

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Cities Matter: Lessons Learned in the Age of Decentralization in Asia Evaluation Summaries

What is the Most Important Topic and Why?

Preparation of Country Strategies: helped each country understand strategies of other countries.

Analysis of site visit lessons: helped relate theory with practice.

Impact on Services: only true measure of LG effectiveness

Decentralization within the Asian context

Country Strategy Framework: encourages participants to put into practice what they learn; to compare among other countries what they think and how to work for successful decentralization.

Discussion of successful decentralized LG models: can be used as a sample for introducing into the Indonesian decentralization process.

Local Economic Development: stresses the value of LED as a way of bringing people and government closer and making governance meaningful and significant-in-class analysis helped participant feel the results were immediately applicable to countries

Analyzing Decentralization: helps participants to understand basic principles and practices of effective LG. Especially in Vietnam now; gave a good picture of status of decentralization in other countries

Autonomy of local government: if autonomy is given, the local government can discharge these functions as per will of the citizen

Decentralization- Impact and Progress: explained importance of strong functional structures that must be in place for if local government is to be an equal partner in the government of the nation; local government institutions can make a significant contribution to rapid local development in a variety of ways.

Critical Factors: made participants think about what is necessary for decentralization and what is not.

Effective Local Government: broadens the vision towards the subject

Decentralization and Urbanization

Asian Case Studies

All (2)

Retrospective: topic is relevant to field of interest

Overall, one of the most important topics seemed to focus on sharing country strategies, especially with an Asian focus.

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Which field visit did you attend? How did the field visit contribute to your experience during the course?

Water Company

I know how decentralization has an impact on the practices of local government

This has helped me in understanding the impact of decentralization in terms of various regulations on compensation, area of coverage, etc.

I could easily relate the effectiveness (though limited) of this company to a similar example in my city- that of an electric supply company. I could make comparisons.

Good local example in which to discuss and share perspectives on relevant local issues.

Reinforced concepts discussed in class

Frankly I did not learn much from this outing

I learned how they operate and it's interesting because they are manned by LGU

I got some insights of a practice of a local government unit.

Textile Factory, Unitex

A look into the Japanese management style

Link between companies and local government

To know about the relation between the factory and the people in the town and realized this is an important factor in increasing the efficiency of local government.

Expanding my knowledge of the role of local government in local economic development (employment generation, resource/revenue, etc)

Since there was not enough time given and moreover, context and processes learnt have little relevance with the decentralization in Indonesia.

I got the experience about the management of the factory which contribute myself to improve the management system

This visit provided for me some learning experiences in terms of a local enterprise activity in relation to the city and higher level of administration. However, this visit mainly support for the community participation experiences.

It gives me new experience and perspective on local economic development.

Association of Municipalities

It helps me to develop my vision in comparison of my own experiences of my country.

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It showed/proved that a success of association in Indonesia need political leadership to get collaboration

Understanding of association building process in other countries and its importance and impact

It helped me understand how difficult it is to create decentralization in different countries

In Vietnam we do not have this organization. That's why I can learn from them how to establish this organization.

It has shown me how this particular organization works within the area of local government and how effective as a pressure group to achieve improvements in the local government.

Role of associations in accelerating decentralization is very critical

Relevant

This was very helpful and gave an insight about how associations can help strengthen local governments

Unknown

Not much, we need to have some discussion with local or city officials to learn how they operate their duties

If it were possible to add another topic to the program, what topic do you recommend we add? Why?

Policy Reform (as in South Asia, particularly in Bangladesh, Sri Lanka and Pakistan) this is the critical question

Problem of decentralization process in America, Europe, and Asia

Local revenue reform: process and problems

Interface with local officials and (illegible) (2)

Principles of financial management: this is the one area of work where local governments in the developing world are still struggling

Fiscal decentralization: It is very important for Indonesia right now (2)

Failure stories of decentralization, not only successes

Relationship between central and local government

Benefits of decentralization drawn from other countries or cities, through case studies for example

Urban development planning: how to achieve from top-down

How to make decentralization a success

Discussions/Role playing technique for understanding problems/issues of decentralization

Each country present on their own status (4)

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Audit system, especially how to create social audit

Capacity building, improved management practices, and increasing public awareness (providing speed for tools that can be customized for different country contexts)

(Illegible) running decentralization/ LG

Social parameters of decentralization: this is important for understanding and practicing decentralization in the context of a specific country

Case study on encouraging public/citizen participation in governance

Accountability of the beauracracy: because they play a vital role and in most of the cases are not accountable to the people

Site visit to LGU officials

Intergovernmental transfer, i.e. sharing between central, state/province, and local government especially for natural resources

Linkages with local officials

More on different forms/methods of decentralization

More opportunities for sharing and exchange of both theory and practice from Asian participants and experts: US and Eastern Europe/Central Asian experience of little relevance/utility- especially important to have discussions on similar context

Focus on more specific topics: this of course can be applied only if the participants have common interests

Examples of success stories and failures in decentralization

On a scale of 1 to 10, what grade do you give this course overall? (10=excellent, 1=poor)

Rating	Number of votes
10	3
9	4
8	8
7	6
6	4
5	0
4	1
between 5 and 6	1
did not vote	2

Comments

More hands-on work would have been great

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

Sharing ideas is good, but this training does not give enough tools or ideas in coping with the decentralization problems in practical ways

The course encourages participants to think and participate and, hence, be more ready to practice later

Good organization

Can add more presentations from South Asian countries on specific best practices

More tours to local government

Time too tight

Hotel is good for the result of the course, but bad for participants

Very good and fruitful

Need more inter-relevant topics and selective speakers

Pre-course activities are very important in order to adjust the basic knowledge among different country participants

Excellent range of speakers and shared experiences for participants

The course was too broad, encompassing many topics. Focus on a few topics can be useful.

There is a need to make a shift from the pedagogical approach to a more (illegible) approach because participants are quite experienced.

I was able to get a fair amount of knowledge through the course as well as managed to interact with participants from other countries and share experiences.

Additional work slope

I like the way the course was carried out, but participant backgrounds were too diverse

Excellent

I would not really call this a course. It failed to satisfy from the more theoretical perspective of big ideas and yet did not sufficiently concentrate on practical tools. Therefore, was neither.

The course can give better results for the participants if we could get the materials in advance and the participants are also grouped based on their relevant experience/interest.

For me, this was an introduction since I don't have experience in this field yet.

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

Would you recommend this course to your colleagues? Why or why not?

I guess I will. It is more useful for the mayors/local government professionals for comparative studies

Yes, but to those who don't know much about how local government functions

Yes, we need to disseminate this experience and greater influence to speed up the decentralization process

Yes, to redo the program

Yes, to enhance the knowledge and skills and to know other countries' experiences

Yes, provided suggestion given above incorporated (move away from pedagogical approach)

Not unless it is really addressed to be a 'course' where participants will get more knowledge rather than experience from attending this course.

Yes, because I gained huge knowledge attending this course

Yes, training experience is comprehensive and provides experiences of other countries

Yes, the course can give a general view of decentralization

Not really. Perhaps as a stimulant to inspire greater interest/curiosity about decentralization and local government but no new revelations, big ideas, or practical tools here.

Yes. (3 times, no comments)

Yes, a session devoted entirely to Indonesia could be very useful (teams could be broken up into levels of government and develop strategies for effective decentralization between levels)

Yes, because if they can get an opportunity to attend such kind of workshop then we will be the associates of same views, which will help to develop my country towards decentralization

Yes, with simultaneous translation.

Yes, gives a perspective and insight as to how our country fairs vis-à-vis our neighbors

Yes, the process is clear

No.

Yes, because in our country they are constantly pursuing the public administration reform.

Yes, it gives good (illegible) and experience to help them contribute better to local government.

Yes, for an introductory course.

Yes, I would. These are opportunities to widen one's horizon, compare notes with counterparts from other parts of the world and also build one's own networks.

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

Yes, I have learned many things about decentralization and local government in other countries.

Yes, it is useful in terms of sharing knowledge and understanding across countries and making possible action agenda from the knowledge of best practices.

If another similar course is offered in Asia, please recommend specific people that you recommend should receive and invitation.

League officials of the LMP, most especially the ED.

Bharabi Ghodke, Project Manager, Environmental Planning Collaborative, Ahmedabad. (epcamd@widnetonline.net)

James D.D. Massie and Vekie A. Rimate, lecturers at the faculty of economics, Sam Ratidjanji University, Nionado

The president of the league

A staff from CMAG secretariat

A municipality official (CMAG can help identify)

Ms. Parag, Senior Assistant Secretary, Local Government Division, M/O LGRD, Bangladesh

Mayor or LG employee

Senior beauracrats

Presidents of cities, provinces, associations of leagues

Professor Islam, Geography Dept. Dhaka University

Town Administrators, Planners and trainers

A.P. Dainis, Director, Sri Lanka Institute of Local Governance, Colombo, Sri Lanka

League officials, elected officials, appointed officials

Islahuddin, lecturer, via me (Nazamuddin)

Mahbuba Akhter, Executive Director, Local Initiative for Peoples Progress (LIPP), Dhaka. (lipp@citechco.net)

Please add any additional comments or suggestions.

Try to do a better job in identifying local/regional experts and practical local models that are in practice.

You guys are great!

Study-tour type of course where venues are changed routinely.

If ICMA organized more workshops it will benefit the participants as well as the countries they represent.

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

Provide evaluation at the beginning of the day- not enough time to fill in.

Thanks!

Very short time to learn.

I understand that this specific course was organized in a short time, but in the future ICMA should try to treat the participants better in order that they are not getting the feeling of being neglected.

Cities Matter:
Lessons Learned in the Age of Decentralization in Asia

APPENDIX G
Personal Vision Statements

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

Cities Matter

Local Government in the Age of Decentralization in Asia

April 7-12, 2002

Bogor, Indonesia

Personal Vision Statements

Lanita S.

- a. Condition: Improving Nutrition Status of Under-fives in Jakarta City
- b. Institution Benefit to achieve my vision: Health District Office, LSM/NGO, Jakarta Nutrition Association, Family Welfare Movement Team (PKR)
- c. Challenges: Advocate the:
 - Local Government
 - Family Welfare Movement (district)
 - NGOs
 - Professional organization

Message: The importance of improving nutrition status of under-fives in Jakarta City to achieve "Health Jakarta in 2010"

Philip

Individual Vision

1. To understand as many best practices on decentralization that worked in other countries (close to the Indonesia conditions)
 2. To understand the tricks for introducing appropriate an decentralization system for Indonesia
 3. To have the opportunity to participate in strengthening the community and local government officials in carrying out their responsibilities under the decentralized local government system
-

Mayor Ramon Guico Jr.

1. Vision Statement – Towards full and meaningful local autonomy to be able to attain genuine self rule and become a self-reliant local government unit

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

- A. To secure the passage of major amendments to the local government code
- B. Marginalized sectors or sustainable rural folk and urban poor and the local government units in general
- C. First, to obtain the approval of congress to the omnibus amendments to the local government code. Second, to ensure the effective implementation of the local government code. Third, to gain the concurrence and support of both the central government thru the national government agencies and the people in the implementation of the local government code

Ray, Philippines

Vision Statement

Fully autonomous, administratively sound and financially strong local government units, highly capable of embracing people empowerment, stimulating economic activity, promoting democratic practices and ensuring better quality of life for their constituents in active collaboration with the national government and effective interaction with international institutional partners.

- A. I wish to change the pessimistic view of some municipal mayors towards the proposed creation of the municipal finance and guarantee program of the League of Municipalities of the Philippines.
- B. The Municipal Finance and Guarantee Program will transform municipalities into self-reliant, highly independent local government units, independent from subsidies or the central government for local-funded projects. The program will enable municipalities to provide local equity in accessing official development assistance that will lead to the creation and stimulation of economic activities in the countryside.
- C.
 - 1. Con... approval of omnibus amendment to the local government code.
 - 2. Political will to affect full implementation of the LGL.
 - 3. Adversarial attitude of some national government agencies.

Vietnam Group

Vision Statement

“Almost local authorities in VN enhances stronger capacity to respond the tendency of devolution nowadays”

- 1. Conditions

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

- a. Central Govt. proceeds (continues or proceeds with) the public administration reform in the whole nation.
- b. Facility for local government (cities and provinces) participation, sharing of information, publication (?) and transparency.
- c. Priority reserving budget to train for local government in the next 5 years as well as equipping facilities.

2. Benefits

- a. Local agencies / institutes
- b. Local staff/ officers /managers
- c. Central Govt. (easy to manage monitoring and evaluation)

3. Challenges

- a. The consistency from central govt. to this objective (allocate resources)
- b. Knowledge from local level is different.
- c. Against bribe and corruption

Joy Abelardo

Vision

Local Governments embracing/implementing environmental protection agenda as an integral part of local economic development.

Gabriel H. Bordado Jr.
Philippines

Vision – Craft an ordinance, which will create the Naba City Economic Development Board and the Naga City Economic Development Dept. and implement the integrated livelihood master plan for the urban poor.

1. Conditions to be changed.
 - a. strengthening the Naga City Investment Board
 - b. creating livelihood opportunities for the urban poor
2. Sectors affected –
 - a. urban poor
 - b. business sector

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

3. Challenges

- a. coming up with clear-cut and effective policies to attract investors
- b. convincing the concerned sectors to support the integrated livelihood master plan
- c. building the necessary infrastructure support systems.

Md. Azmatullah Khan, Bangladesh

Individual vision Statement

Local councilors work together to articulate agenda for local government reform.

Diah Astuti Sri Janvarh, USAID Jakarta

Vision

“Greater transparency and local accountability of the local government in increasing better public services.”

Beneficiaries

- the local council
- the local administration
- the NGOs
- private sector
- the people/community

Strategy

- promoting public participation in budgeting process; public decision making through public discussion; public campaign; public hearing
- strengthening the capacity of the local council and local administration through: technical assistance, training, etc.
- promoting the awareness of the people that changes are needed
- encouraging the local administration on their political will to change
- strengthening the local NGOs to be the “watchdog” of the process; providing technical assistantship, etc.

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

Challenges

- Finding good partners
- Lack of awareness among the people and the administration people and local council
- Continuous effort.

Surajit Yontrakul (Jit), Mayor, Executive Director of the League

Vision

Thailand to have the real decentralization and people actively participate in their boundary zones.

Benefit

Local government and people will benefit from the achievement of their autonomy.

Challenge

- Establishment of mutual understanding among steering committee / league members
- Political commitment/will of central government
- Understanding and willingness of local government
- The ignorance of citizens in participating activities.

Poonsiri L., Kenan Institute Asia

Vision (Individual)

Strengthen and capacity building of community on their rights and responsibilities regarding environmental aspects. Encouraging all levels of local bodies to get the best inter-cooperation in order to achieve effective local government.

- a. Conditions to be changed in one year – Building awareness of decentralization to grass root bodies.
- b. People that primarily benefit – community and local agencies.
- c. Most significant challenges:

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

1. How to get better collaboration of many agencies who are responsible for local government
2. Education to the local communities throughout the country
3. Financing

Woothisoom Tanchai, Thailand

Vision

Decentralization process in Thailand can continue smoothly and effectively in the long run.

Needs

- Strong political commitment and will.
- Positive attitudes for “decentralization concept” among stakeholders: govt. officials, politicians, local staff and citizens.
- Capacity building for LGOs especially on self-reliance concept, management efficiency and good governance.
- Set and clarify the administrative system among provincial administration and local administration.
- Proper public reform mechanisms.

Challenge

- Set up mutual acceptance attitude among different groups of people in the country on decentralization.
- Set-up the self-reliance concept among LGOs.
- Set up the collaborative activities among stakeholders and bring best practice in various aspects to be a lesson learned for LGOs.

Rezaul Haque, Bangladesh

Individual Vision Statement

A National Constituency for strong local government emerges.

Rawshanawa, Bangladesh

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

“To take initiatives for administrative reforms towards raising public voice for a strong political decision for decentralization.”

Mahbuba Akhter

Effective local government self initiative about Democratic process to equitable development of the nation.

Sunil Fernando, Sri Lanka

Vision Statement

“Strengthening the decentralization process by enlarging the civil society agenda towards autonomous local government so that there is a system of co-responsibility between institutions of governance of central, provincial, and local level.”

Nazamuddin

Vision

“More self-reliant, accountable, and transparent local government with increased citizen participation in public decision-making.”

Habib, Bangladesh

Individual Vision Statement

Civil society creates a political condition in which policy makers begin to take policy initiative towards strong, devolved, and effective local government.

Dana Kenney

Vision Statement for Decentralization in Indonesia

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

(Increased trust of local govt.)

Specific Related to Energy: Local govt. influencing critical central government energy policy issues such as pricing and access/supply. Local govt. understanding of national budget and energy subsidy issues and ability to engage in discussions and joint policy dev. relative to revenue-sharing impact of subsidy re...? on their allocations, welfare obligations and government policies to mitigate impact of price increase. Greater local government capacity to deal with energy subsidy and access/supply issues, esp. relative to economic development.

Group Vision

“Greater transparency, trust, and financial ability of local government in providing better public services.”

Prof. HM Mishra – India

Vision

“Urban local bodies are able to provide quality services by introducing financial and procedural reforms in the state.”

- ❑ Urban Local Body
- ❑ Urban Administration
- ❑ People at Lareg
- ❑ Clients of Municipal Services
- ❑ Elected Representatives

1. Low self-esteem and looking everything from political lenses.
 2. Non-committal attitude of Politician towards reforms.
 3. Fear of change amongst important stakeholders in general and learning and innovation in the area of decentralization in particular.
 4. Factionalism.
-

Mr. Dussaddee S., Thailand

Part 1. Vision. Local government has more autonomy in local finance.

- a. Advise and support the local government to increase the revenue collection, efficiency, and transparency by using tax mapping as a tool.
- b. Local Government and the citizen.

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

1. To create significant awareness of local finance sufficiency.
 2. To create database system nationwide.
 3. How to make tax mapping as an inexpensive tool that local government can afford.
-

Schubert

Part I – Individual Vision Indonesia

- a. Identify “champions” at the central and local levels of govt. who understand and can disseminate a long-term vision of good governance (particularly responsible spending and anti-corruption)
→ Clear fiscal authority.
 - b. Benefits to anyone will likely take more than one year – however, initially the poor will benefit over time Indonesians at all levels will benefit.
 - c. 1. Insufficient long-term vision, 2. corruption, 3. knowledge to implement, 4. “champions”
-

P. Kindangen

Vision: Improving the usefulness of the local budget in supporting economic activities.

- a. Conditions – transparency in budget preparation and approved process; - local government and council ability in budgeting.
 - b. Local government and people will benefit if the vision is achieved.
 - c. Challenges.
 - encourage local government to improve transparency;
 - influence local government thinking on budget: the most important is how to allocate funds available that encourage economic activities;
 - training of the local government staff as well as members of local council in budgeting.
-

Cities Matter:
Lessons Learned in the Age of Decentralization in Asia

APPENDIX H
Team Strategies

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

Vision:

“Greater transparency, trust, and financial ability of local government in providing better public services.”

I. Enabling Environment:

- a. Legal review of sectoral laws and regulations for conformity with Decentralization Laws 22 and 25.
- b. Dialogue with stakeholders across all levels of government on legal review.
- c. Clarification, agreement, prioritization and identification of modifications to enabling environment at all levels of government.
- d. Harmonization of laws and regulations across all levels of government.
- e. Electoral reform for increased accountability and transparency.

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

II. Local Government Capacity:

- a. Fiscal capacity with a priority on the budget process, sustainable revenue generation and management.
- b. Human resource capacity building and professionalization of civil service.
- c. Tools for increased accountability and transparency.
- d. Strengthen associations of local government professionals.
- e. Parliamentary strengthening.
- f. Increased access to timely, relevant information through enhancing communications infrastructure.
- g. Increasing capacity of local government officials to implement innovations to improve services, such as engaging the private sector as appropriate.

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

III. Public Participation in Decision-making Process:

- a. Public awareness building of their rights and responsibilities.
- b. Strengthen NGOs, CBOs and other stakeholders.
- c. Increased mechanisms to channel participation for mediating and negotiating to arrive at constructive solutions.
- d. Media training and support for enhancing for responsible reporting of good governance issues.

**Cities Matter:
Lessons Learned in the Age of Decentralization in Asia**

TEAM VISION: PHILIPPINES FULLY AUTONOMOUS LOCAL GOVERNMENT UNITS, WORKING IN PARTNERSHIP WITH THE NATIONAL GOVERNMENT AND THE INTERNATIONAL COMMUNITY, TO ACHIEVE SUSTAINABLE DEVELOPMENT WITHIN THE DEMOCRATIC FRAMEWORK		
Critical Factor Of Success	Actions To Be Taken	Expected Result
strengthened legal framework that support full local autonomy	Leagues to lobby for amendments of the code	plugging the legal loopholes which constrains the attainment of full local autonomy
Implementing Rules and Regulation (IRR) consistent with the true spirit and intent of the law	All leagues to be represented and actively participate in the Oversight Committee that will develop the IRR	Ensures that the intent and true spirit of the law are reflected in the IRR
Full comprehension of the amended Code	Implement a massive information, education, communication (IEC) campaign within the leagues, the National Government Agencies and the general public	Increased awareness of powers and authority will lead to a meaningful and genuine implementation of the Code
Improved fiscal management capacity of LGUs	For leagues to develop and implement Training Programs by tapping the services of Training Institutions Intensify sharing of best practices and ensure replication in LGUs	LGUs are empowered and capable of carrying out its mandate
Investment Programs based on accurate information	Leagues to strengthen, refine and expand existing efforts to develop information systems that is readily accessible to its members	Cities become competitive and capable in attracting investments

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

VISION STATEMENT : THAILAND Local government can operate their function efficiently and become good governance & self-reliance Good governance principle: (Rules of law, Efficiency, Accountability, Transparency, Merit system, Participation) Self -Reliance: (Self determination, Self –reliance on local finance)		
Critical Factor Of Success	Actions To Be Taken	Expected Result
1 Capacity -building for local governments (LG)	1. Re-design organizational structure of LG	Higher capacity of LG bodies
	2. Improvement the management functions in LG: i.e. Planning & Budgeting system	
	3. Human resource development both for officials & administration staff	
2 Clearance on inter-governmental linkage system	1. Setting up inter-relationship among provincial local administration and within LG	Better collaboration among administrative bodies
	2. Training provincial government officers to create positive attitude	
	3. Amendment of legislations and regulations	
	4. Setting up proper external and internal auditing systems	
	5.	
3 Local finance autonomy	1. Local tax system reform	Autonomous local financing
	2. Create mechanism for LG to generate their owns revenue	
	3. Encouraging a self-reliance attitude for LG	
	4. Setting up the fair and transparent criteria to allocate the revenue among LG	

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

4 Enhancing people involvement	1. Stimulate awareness & advocate people on the significant of decentralization and role of LG	Higher participation
	2. Sharing lesson learned to public	
	3. Setting up mechanisms to enhance and promote people participation i.e. town meeting and consultation processes	
	4. Empower people to become “citizenship ”	
	9. Encourage voluntary organization, NGO, interest groups to 10. participate LG’s activities	
5 Political will and commitment for decentralization	1. Strengthen and empower LG, League, and/or associations to deal with national politician	Continuity of decentralization

Cities Matter:

Lessons Learned in the Age of Decentralization in Asia

TEAM NAME AND/OR NUMBER: **BANGLADESH**

VISION STATEMENT >>A BROAD-BASED CONSTITUENCY FOR A STRONG LOCAL GOVERNMENT MOBILIZED AND DEVELOPED

Critical Factor Of Success	Actions To Be Taken	Expected Result
1> increased citizens' awareness role, needs and benefits of local government	1. civic education	Educated citizenry; Raised expectations about decentralization; Improved understanding of local governance
	2. public debate and discourse	
	3. massive media campaign	
	4. social marketing	
2> development of broad coalitions of stakeholders	1. identification of champions in different sectors	Coalitions developed based on consensus; advocacy group functioning
	2. improve capacity of coalitions	
	3. consensus-building among stakeholders	
	4. emergence of core advocacy group	
3> legal, policy and administrative reform agenda formulated	1. coalition-led research conducted and disseminated	Policy reform agenda has support of citizens and law makers
	2. core group dialogue with Parliamentarians about reform options	
	3. comprehensive policy framework for decentralization devised by core group	
	4. pressure groups lobby policy makers	
	5. coalitions organize mass rallies, demonstrations and pressure at regional, local and national level	

**Cities Matter:
Lessons Learned in the Age of Decentralization in Asia**

TEAM NAME AND/ OR NUMBER: TEAM INDONESIA NO 1

VISION STATEMENT		
Effective Decentralized Indonesia		
Critical Factor Of Success	Actions To Be Taken	Expected Result
1 Strong Leadership	1. Direct Election at all levels	People' support
	2. Active Citizen's Participation	
2. Strong Political Will of the DPR	1. Transparency and Accountability on Policy decisions	People oriented
	2. Active Citizen's Participation that leads to Political Accountability of Parties	
3. Enabling Legal Framework	1. Reviews in the Judiciary System - The present system seemed to be biased	Factors in 1 & 2 will allow changes in the judiciary system
	2.	
	3.	
	4.	
4. Citizen participation	1. Education and awareness programs	Political accountability
	2.	
5. Capacity, accountability, transparency and consistency of central and local government staff.	1. Deployment of civil servants in regions for technical – professional assistance	Effective LG and public trust
	2. Capacity building for local Human resources (Universities, LG, NGOs, etc.)	
	3. Financial support that commensurate with local governments functions and responsibilities to enable LG be viable.	
	4. Effective local revenue collection and generation	

COUNTRY STRATEGY - INDIA



H.M. Mishra

Manvita Baradi

B.R. Balachandran



VISION



Urban local bodies are able to provide good governance and quality services on a sustainable basis by introducing reforms and public participation

STRATEGY





STRATEGIES

- ◆ Build an enabling and sustainable environment for learning and innovation in the area of decentralization
- ◆ Promote standards of professional competence and ethics to deliver goods and services to clients
- ◆ Promote prompt client service and set performance standards for services



STRATEGIES

- ◆ Develop effective mechanism for feedback, monitoring and grievance redressal
- ◆ Introduce Best Practices of financial management
- ◆ Generate resources and acquire support for introducing financial reforms and innovations in local bodies

ACTIONS





ACTIONS

- ◆ Each state to implement the 74th Constitutional Amendment in letter and spirit
- ◆ Organize training programs for capacity building
- ◆ Evolve mechanisms for public participation
- ◆ Simplify laws and procedures
- ◆ Publicize Citizens' Charter



ACTIONS

- ◆ Provide access to information
- ◆ Introduce social audit for ensuring transparency and accountability
- ◆ Develop people-friendly and environment-friendly programs that promote the concept of “inclusive city”
- ◆ Introduce program budget instead of line budget



ACTIONS

- ◆ Develop programs and policies to attract private investment
- ◆ Introduce outsourcing and privatization of services
- ◆ Articulate Urban Management as a distinct, recognized profession
- ◆ Development effective urban management networks

VIETNAM GROUP PRESENTATION:
**TWENTY-YEAR VISION—SHINING
HO CHI MINH CITY, VIETNAM**

- **Economically attractive**
- **High management capacity**
- **High livability**

CRITICAL FACTORS OF SUCCESS

- **Balanced policy for local Government revenue generation**
- **Enabling framework and enforcement**
- **Incentives to professionals to work with local Government**

BALANCED POLICY FOR LOCAL GOVERNMENT REVENUE GENERATION

- **Preparation of legal and regulatory framework for local Government revenue generation:**
 - + **User fees**
 - + **Toll fees**
 - + **Property tax**
 - + **Income tax**
 - + **VAT**
 - + **Cross-subsidy to low income households**
- **Streamlining processing of regulations for investors**

ENABLING FRAMEWORK AND ENFORCEMENT

- **Transferring power from Central to Local Govt.**
 - + **Land development and construction**
 - + **Building codes**
 - + **Local transportation and infrastructure**
 - + **Allow Local Government to develop welfare cross- subsidy program**
 - + **Regulating environment impact and so on.**
- **Monitor and evaluate programs and projects for performance**

INCENTIVES TO PROFESSIONALS

- **Expand opportunity for personnel training in country and abroad**
- **Pay incentives for excellence**
- **Accelerate pay increase based on seniority and performance**
- **Keep pace with private sector wages for similar occupation**

EFFECTIVENESS

**The overarching objective is to
increase the effectiveness of
Government**